

As part of the process to identify and remove barriers at all levels in the workforce system, the state has implemented a continuous improvement process designed to ensure high quality services for Idaho's citizens and business customers. This involves working closely with local providers to identify potential problems early and to make the appropriate adjustments in performance expectations, reporting on their accomplishments, identifying areas targeted for improvement based on the analysis of performance, and reviewing plans for any process improvement initiatives undertaken as a result of this analysis. When concerns are noted or deficiencies occur, the local provider also is expected to identify the impact area(s) and specific measures that will be implemented to address the concern or deficiency.

Monitoring the WIA performance system and performance expectations ensures that local providers contribute to quality service delivery. Meeting and exceeding appropriate performance levels will require comprehensive quality services that will contribute to a high level of customer satisfaction, as will an emphasis on performance accountability.

J. Describe how the State will take advantage of the flexibility provisions in WIA for waivers and the option to obtain approval as a workflex State pursuant to Section 189 (8) and Section 192.

1. Extend the waiver of the Time Limit on Period of Initial Eligibility for Training Providers.
 - a. The State of Idaho respectfully requests an extension of an existing waiver regarding the Workforce Investment Act's (WIA) time limit on the period of initial eligibility of training providers (20 CFR 663.530), through June 30, 2007, the end of the planning cycle for this plan being submitted.
 - 1) Idaho's original request was to waive the subsequent eligibility provisions as outlined in Section 122 (c) and (d) of the WIA legislation. Although the U.S. Department of Labor did not provide a waiver for the state's specific request, it did waive the time limit on the period of initial eligibility that was extended through June 30, 2004. An additional request for waiver of this provision was granted and extended the period of initial eligibility through June 30, 2005.
 - 2) The state's training providers have expressed strong concerns with the implementation of subsequent eligibility requirements. The concerns include the following:
 - (a) confidentiality (FERPA compliance),
 - (b) excessive administrative burden and costs associated with tracking all students,
 - (c) time delays with UI wage records,
 - (d) the difficulty in establishing statistically valid processes for adjusting UI wage record data based on economic, geographic, and demographic factors of the local area and characteristics of the population being served, and
 - (e) establishing a consumer report based on a wage record system that underreports employment rates for training programs.
 - b. With WIA reauthorization set to occur soon, this raises opportunities to streamline training providers' subsequent eligibility under a "new" WIA.
 - c. Idaho is committed to delivering quality employment and training programs under WIA. However, it is very likely that if the waiver is not extended, the implementation of the subsequent eligibility criteria will prevent providers from participating in WIA and deny the state the ability to continue to provide the broadest range of training options for its WIA participants.

2. Statewide Regional Planning Area—Single Statewide Council

- a. With this plan, the State of Idaho is formally seeking a waiver to apply 20 CFR 661.300(f) which permits a state board to carry-out the roles of a local board in a single local area to a statewide regional planning area. Idaho has experienced a 37 percent drop in funding – more than \$5.6 million – in the last four years. The allocation for the program year beginning in July was cut \$1.8 million. This bleak financial outlook makes change imperative. The shift from six regional areas to a single statewide planning area allows the Governor to address the Administration's strategic priorities and to further reforms envisioned in the Workforce Investment Act. No areas in Idaho qualify for mandatory designation; with the continuing loss of funds, maintenance of this system is no longer a viable option. The Governor has announced his desire to move toward a single state area and will do so through designation of two areas which will enter into a cooperative arrangement to function as a single state area. As described in section VIII.E.1, Governor Kempthorne will require development of a single regional plan for the state. To maximize resources available for service delivery, the state also wishes to use the Workforce Development Council as the local workforce board for this area. This will foster sharing of data and information across regions and ease movement of customers from region to region.
- b. No state or local policies would limit the Governor's authority to require a regional plan or utilize the Workforce Development Council as the local workforce board for the Idaho Workforce Consortium.
- c. The State will achieve the following goals if the waiver is granted:
 - 1) The new single statewide planning structure will reduce overhead from 14 percent to less than 3 percent, a reduction of more than \$1.3 million now spent to support the six-region structure. This efficiency maximizes the available money directed to training and services to business and job seekers in the face of the severe federal budget cuts experienced by the state in the last four years. The State has set a goal of spending 50% of WIA local Adult and Dislocated Worker funds for direct training and support of businesses and participants, positively impacting achievement of performance goals.
 - 2) The new statewide structure will enhance efforts to transform the system into a demand driven system by further integrating economic development activities into the one stop system. The 24 Commerce and Labor offices across the state will serve as the state's one stop centers and will incorporate the full range of economic and community development services in their offerings. The priority for 2005 will be to ensure that all 24 offices have the training and support to become full service business centers. This recognizes the importance of sharing data and information about new and expanding businesses to build the economy across regions.
 - 3) The One Stop system will be enhanced by expanding the number of IdahoWorks One Stop Centers from six to twenty-four, broadening the reach to Idaho's citizens and business customers in our urban and rural areas. As indicated above, the focus in year one will be on building the capacity of these centers to offer economic and community development services. During 2005, the Governor's Workforce Development Council will also negotiate new MOUs with One Stop Partner organizations with the goal of expanding their participation in the One Stop system in PY 06 to more fully integrate the wider range of services available at the centers.
 - 4) The statewide delivery structure also affords an opportunity for the Workforce Development Council, working in concert with the Governor's Coordinating Council for Families and Children, to redesign youth programs, taking fuller advantage of opportunities for leveraging funds

among organizations serving youth. During PY'2005, the State will, to the extent possible, honor the commitments made by the six local boards. At the same time, the Workforce Development Council will partner with the Governor's Coordinating Council for Families and Children in a strategic planning process designed to identify gaps and prioritize services to those youth who demonstrate the greatest need.

- 5) The new statewide structure will strengthen administrative oversight and accountability processes. Administrative deficiencies have resulted in substantial disallowed costs in Idaho's largest Workforce Investment Area. The new strengthened administrative structure will assist Idaho in avoiding future disallowed costs and thus will further enable the redirection of funds from service provider and administration to direct participant training and support.
- d. The waiver will eliminate the staff sources. With the change to a statewide regional planning structure and this waiver, we expect to increase training opportunities for an additional 500 or more adults, dislocated workers and at-risk youth as we add services for the business community.
- e. The waiver was announced to the general public as part of the plan review process which included a process for soliciting review and comment during a three-week period and review by the Governor's Workforce Development Council. The Chairs of the Local Elected Official organizations and the Local Workforce Investment Boards and their executive staff received letters announcing this proposal. Each individual also received a personal call in advance of the letter to advise them of this change and offer an opportunity to comment on the proposal. The State maintains a sophisticated management information and oversight system that tracks progress of financial and participant goals. Progress will be reviewed on a quarterly basis to ensure that goals are achieved. The Workforce Development Council will advise the Governor on specific policy changes needed to achieve the priority areas identified above. Additional communication strategies will be devised to ensure that citizens throughout the state are informed of progress and provided an opportunity for input into the states workforce development system.

The attached guidance was provided to local areas for the PY'05 planning year (see Attachment 9 for WIAB-08-04 and Attachment 10 for the Local Planning Guidance). The state asks for major modifications by April 1 in draft with final plans due May 15th. Minor modifications are due June 1. One area has submitted a major modification for review at this time.

2. *How does the local plan approval process ensure that local plans are consistent with State performance goals and State strategic direction?*

The state workforce agency will review these plans for consistency with policy, regulation and this plan and notify the local area of their approval or need for change. In the case of major modifications, a recommendation will be considered by the council on the draft plan and state staff will review the final plan consistent with those recommendations before forwarding to the Governor. Minor modifications will be managed at the administrative level. Because Idaho is moving towards a single state area approach, all regions will be subject to the performance measures required of the state. Typically local plans are written after the state has established the policy framework. Because of the time frames for this planning process, most local policies had been established and procurement processes conducted before the state plan was published. Policies approved in this plan will take precedence over those in the local plans.

E. Regional Planning (§§112(b)(2) and 116(c).)

1. *Describe any intra-State or inter-State regions and their corresponding performance measures.*

Beginning with the planning cycle for PY'06, a single plan will be developed for the entire state covered by the Idaho Workforce Consortium in the statewide regional planning area. The purpose of this regional plan is to create efficiency and to allow for sharing of information and data across all substate regions, increasing the amount of funding available for services to customers and creating better alignment of workforce and economic development services. Because this is statewide, performance measures will be those negotiated with USDOL and reflected in Attachment 11.

2. *Include a discussion of the purpose of these designations and the activities (such as regional planning, information sharing and/or coordination activities) that will occur to help improve performance. For example, regional planning efforts could result in the sharing of labor market information or in the coordination of transportation and support services across the boundaries of local areas.*

The designation is for the purpose of creating efficiency and is done pending regulatory relief for the designation of a single state area. With limited funding, it is essential that the state identify every opportunity for eliminating duplication to maximize opportunities for our citizens and businesses. This also ensures better alignment of workforce services with economic development, community development and education services and will facilitate improved coordination of state funds to serve high priority groups of at-risk youth.

3. *For inter-State regions (if applicable), describe the roles of the respective Governors and State and local Boards.*

No inter-state regions are planned at this time.

F. Allocation Formulas (112(b)(12).)